

Shopper Marketing Implications on Communication Strategies and Actions

An Empirical Expert Opinions Study

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Abstract

Shopper marketing is an international recent concept and approach to marketing. Since shopper marketing is in the early stages of development, it is also an emerging research field, and consequently questions and challenges across all the marketing-mix variables are emerging. This paper addresses shopper marketing implications on one of those variables – communication. Specifically, the purpose of this paper is to study the implications of the shopper marketing approach on marketing/brand communication, focusing on point-of-purchase (POP) communication strategies and actions.

In order to address that purpose, an expert opinions qualitative study was conducted, gathering primary data from fourteen shopper marketing experts, following a snowball sampling technique. The results confirm the literature review and complement it, providing explanations and adding elements that might help towards a more effective marketing communications management, particularly at the POP.

Introduction

Shopper marketing is a recent concept [1, 2], being an emerging issue that can lead to evolutions in the marketing field, not representing a fad or a buzzword [3].

The shopper marketing approach is based on the assumption and recognition that marketing should address and satisfy other needs besides those of the end-user and consumer. It aims to provide a more gratifying shopping (and consuming) experience, treating customers in a more holistic manner. The shopper marketing approach goes beyond the end-use, focusing on the shopper needs and integrating them with the consumer needs. Since it is an approach in the early stages of development, there are several issues yet to be explored by research [3]. As such, it can be expected that shopper marketing poses new and different challenges to brands to communicate more effectively, particularly at the POP.

This study aims to explore that issue, and how effectively are brands and retailers addressing those challenges in practice. The paper begins with a brief conceptualization of the shopper marketing approach and then the empirical study is presented, reporting the methodology and major findings.

Shopper Marketing Conceptualization

Since the last decade there have been profound changes in shoppers' behavior due to technological, social and business landscape changes, such as the emergence of new shopping tools - e.g. ability to search for product and pricing information at anytime, outside or inside the store [4, 5]. Other relevant changes with direct effects on shoppers are the decline of traditional media, the decline of brand loyalty, and the emergence of more and better ways to interact with the customer at the POP [2].

Those changes brought challenges on how to approach customers more effectively and, consequently, the shopper marketing approach emerged, recognizing the need to include the shopper and the shopping process as elements that can have significant implications on buying and consumption decisions. Thus, shopper marketing can be defined as the planning and execution of all marketing activities that influence a shopper along, and beyond, the entire path-to-purchase, from the point at which the motivation to shop first emerges through to purchase, consumption, repurchase, and recommendation [1]. There are other definitions of shopper marketing, but most of them are from industry oriented sources [e.g. 6, 7, 8].

Regardless of the definition adopted, the shopper marketing approach does not conflict with traditional marketing. In fact, is rooted in traditional marketing, which principles do often apply to shopper marketing. Nevertheless, there are some key differences, presented in table 1.

Table 1 – Key differences between shopper marketing and traditional marketing

Dimension	Shopper Marketing	Traditional Marketing
Aim	Create awareness and influence triggers in the shopping cycle	Create awareness and use push and pull strategies
Target	Shopper and shopper-consumer link	Consumer
Mode of individual	Shopping	Consuming
Breadth of perspective	All the path-to purchase shopping cycle, 360° view of the shopper	Brand and category
Category focus	Multiple	Single
Promotions	Shopper-directed	Trade and consumer-directed

Source: adapted from Shankar et al. [1]

The shopper marketing activities may have advantages for shoppers, retailers and producers [9, 10, 6, 2], such as: shopping experiences and communications more directed and relevant to the shopper; higher potential for increased sales, loyalty and recommendation of the store and brands; improved differentiation; strengthening of brand equity; development of more effective brand activation at a moment of truth.

Nevertheless, some barriers and difficulties are identified in the development of shopper marketing projects [10, 6, 8, 11, 12]: lack of information and market research on shopper behaviour; difficulties and costs in scaling shopper insights for different banners/stores; concepts of consumer marketing replicated without adapting them to the mentality and mood of shoppers, making the offers and messages not relevant to shoppers; lack of marketing managers with specific skills and expertise in shopper marketing; the legacy of traditional communication processes, budget allocations and organizational structures, based on traditional assumptions;

distributors focused more on short-term results and on selling products and less on providing solutions to customers within the POP.

Recognizing the complementarities and differences between shopper marketing and traditional marketing, it is possible to consider that the emergence and adoption of a shopper marketing approach may lead to new ways of thinking about brand interaction and communication with the targets.

Research Method

As mentioned, the goal of this research is to provide a contribute for a more sustained understanding of the impacts and challenges that shopper marketing might pose to marketing and brand communication, and how effectively are companies accomplishing it, specifically at the POP. The data was collected among experts on retailing and category management, since there was the need for technical and specialized knowledge. In fact, de Chernatony and Riley [13, p.430] state that “In view of their considerable branding expertise and knowledge, it is appropriate to understand how leading-edge brand consultants, whose daily activity is shaping the future agenda for brands, interpret them (...) their knowledge of brands is broad and their thinking reflects best brand management practices”. Considering the above, an empirical qualitative and exploratory study was conducted, in order to collect the expert opinions in order to answer the defined research questions

Regarding the sampling process, the first step was to establish the criteria to define the experts [14]. The criteria used stated that an expert should have significant research or management work on shopper marketing, point-of-purchase advertising, retailing or trade marketing. That criteria included academic, consultants and practitioners, to obtain a diversity of opinions. After that, a snowball technique was used to select the experts, which is an appropriate sampling technique for small and specialized populations [15]. The data was collected through semi-structured face-to-face interviews, and fourteen interviews were conducted with shopper marketing experts, covering consultants, service providers, researchers, retailers, fast moving consumer goods producers and industry associations. The interviews were conducted using a topic guide. A topic guide was used in order to minimize biasing and influencing the experts with our prejudgements and preconceptions [13]. According to the literature review, the topic guide covered the following subjects: shopper marketing concept; shopper marketing benefits, barriers, drivers and stage of development; critical elements and specificities on the relation between shopper marketing and communication.

The information collected during the interviews was analyzed with thematic content analysis and major themes emerged, consistently with the topic guide. Those themes were coded and divided into categories and subcategories, enabling consistent findings across the interviews.

Results and Discussion

The first major theme that emerged from the content analysis was labeled “Shopper marketing traces”. The recognition by the interviewees that shopper marketing is not a fad and is a recent approach with specific challenges is consistent with the literature [e.g. 1, 2, 3]. Moreover, the shopper marketing strategic role was pointed out by the experts. This is related with the potential of shopper marketing to influence the individual/shopper on the “moment of truth”. This fact was said to be a very important benefit of the shopper marketing approach.

Inside this major theme of shopper marketing core traces, another two categories emerged. One was the focus on the specific needs of the shopper and on its thorough understanding. Such knowledge and understanding should be carried out along all the phases of the path-to-purchase, which starts with a predisposition to buy, and goes from out of store to in-store and home/consumption. This was referred by the experts as an important issue, since all touch points are possible opportunities for the brand to influence the behaviour of targeted shoppers. The analysis and understanding of in-store decision making was also noted as a crucial element in shopper marketing, evidencing coherence with Inman, Winer and Ferraro [16]. The other category that emerged is related to the recognition that consumers/end-users and shoppers are not always the same individual and, even if they are the same person, the shopper is in a different mode while shopping. Again, this result is supported by the literature, specifically by Sorensen[17] and Pincott[18].

The second major theme that emerged from the content analysis of interviews was labelled "Communication at the POP". It was clear that respondents perceive that shopper marketing has a strong potential to call to action at the POP. Nevertheless, it was validated that shopper marketing is not limited to in-store activities, since it encompasses a broad scope, including activities commonly falling under category management, merchandising, POP advertising, and in-store brand salience. In fact, the experts referred the need of integration between brand strategy and trade-marketing actions at the distribution channel and at the POP. This fact emphasizes the need for producers and retailers to be consistent in their brand positioning strategy and for a highly integrated communication activity inside and outside the POP, as Sommer[11] noted.

Besides recognizing the importance of the alignment between in-store and out-of-store marketing, the opinions collected express the relevance of in-store marketing communications and stimulus to serve as a call to action at that moment of truth. A possible explanation for that emphasis is that shopper marketing activities at the POP might provide an opportunity for in-store stimulus to activate and influence the impulse and less planned purchases. Integrating those facts with the literature, several previous studies report that a considerable percentage of purchase decisions are made or changed at the POP [19, 20, 21].

It was also found that brand communications at the POP can still be strongly explored. Some respondents pointed out that, in business practice, those activities are still too tactical and oriented to sales promotions, lacking on strategic thought and drive. This means that, frequently, in-store communications actions are "me-too" urgent responses, solely oriented to sales objectives, and are not tailored for retailer strategy and operations. The experts also indicated that several decisions of in-store brand communication are left to operational collaborators, which many times lack shopper marketing skills and data, leaving too much space for the decisions to be based on intuition and habit. All these facts are not yet identified on literature.

Another fact that was not previously found on literature was the eventual dissonance between out-of store brand communication and in-store actions. In fact, some experts stated that is frequent to observe a dissonance between out-of store brand communication and in-store actions. The explanation provided was that this alignment is difficult to attain since, many times, the in-store and out-of-store communications are developed by different marketing areas. Moreover, there is the need for articulation between very different departments and operators, which is a difficult task. It was also mentioned that a long-term brand perspective is essential to

create, on the shopper, strong subconscious associations between in-store and out-of-store communication.

Also on the implementation/action level of shopper marketing, the importance of brand key-visual elements/signs was mentioned as playing a very important role on the alignment between out-of-store and in-store brand communications. This result shows adherence with Philips[22] affirmations about the role of visual marketing at the POP. Additionally, the unconscious effect of brand key-visual elements on shoppers was also noted as an important element that can make a difference at the POP. In fact, a significant part of the human behavior is based on automaticity [23]. Consequently, the shopper behavior may also have a significant part of automaticity and unconscious drives [24, 25]. Concerning this issue, one expert pointed out the contribution that new high-tech research tools (neurosensory devices and eye-tracking devices) can bring to a better understanding of the shopper unconscious and emotional behaviors and reactions. Those research tools are referred in literature by Inman and Lev-Glick[26] as being a future trend for shopper marketing.

Finally, was pointed out that a new challenge and opportunity is rising, associated with the use of mobile and information technology. This is consistent with Hui et al. findings [26], considering that mobile and information technologies might bring new forms to better articulate out-of-store with in-store brand communication and also drive and remember unplanned needs and purchases. Furthermore, those technologies might enrich the shopping experience and better fulfill the needs of the shopper.

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